

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

STATE OF MAINE
127TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

August 2015

MEMBERS:

SEN. EARLE L. MCCORMICK, CHAIR
SEN. PAUL T. DAVIS, SR.
SEN. NATHAN L. LIBBY

REP. ADAM A. GOODE, CHAIR
REP. STEPHEN S. STANLEY
REP. MATTHEW W. MOONEN
REP. DIANE M. RUSSELL
REP. DENISE A. TEPLER
REP. H. STEDMAN SEAVEY
REP. BRUCE A. BICKFORD
REP. PAUL CHACE
REP. THOMAS H. SKOLFIELD
REP. GARY E. SUKEFORTH

STAFF:

JULIE JONES, SENIOR LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635

STATE OF MAINE

127TH LEGISLATURE

FIRST REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 127th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

<i>CARRIED OVER</i>	<i>carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>chapter # of constitutional resolution passed by both houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; legislation died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagreed; legislation died</i>
<i>DIED IN CONCURRENCE</i>	<i>defeated in each house, but on different motions; legislation died</i>
<i>DIED ON ADJOURNMENT</i>	<i>action incomplete when session ended; legislation died</i>
<i>EMERGENCY</i>	<i>enacted law takes effect sooner than 90 days after session adjournment</i>
<i>FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE</i>	<i>emergency failed to receive required 2/3 vote</i>
<i>FAILED, ENACTMENT or FINAL PASSAGE</i>	<i>failed to receive final majority vote</i>
<i>FAILED, MANDATE ENACTMENT</i>	<i>legislation proposing local mandate failed required 2/3 vote</i>
<i>HELD BY GOVERNOR</i>	<i>Governor has not signed; final disposition to be determined at subsequent session</i>
<i>LEAVE TO WITHDRAW</i>	<i>sponsor's request to withdraw legislation granted</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>ruled out of order by the presiding officer; legislation died</i>
<i>INDEF PP</i>	<i>indefinitely postponed; legislation died</i>
<i>ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X</i>	<i>ought-not-to-pass report accepted; legislation died</i>
<i>P&S XXX</i>	<i>chapter # of enacted private & special law</i>
<i>PUBLIC XXX</i>	<i>chapter # of enacted public law</i>
<i>RESOLVE XXX</i>	<i>chapter # of finally passed resolve</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's veto</i>

The effective date for non-emergency legislation enacted in the First Regular Session of the 127th Legislature is October 15, 2015. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Taxation

This bill exempts from Maine income tax all tips included in federal adjusted gross income.

LD 409 An Act To Lower the Individual Income Tax Incrementally to Zero

Accepted Majority
(ONTP) Report

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'CONNOR BRAKEY	ONTP OTP-AM	

This bill provides for the phase-out of the individual income tax. Income taxes are reduced 25 percent beginning with 2016 tax years. A calculation is done each following year, and further 25 percent reductions are implemented when revenues exceed the amount of revenue for the year preceding the previous reduction.

Committee Amendment "A" (H-212)

This amendment, the minority report of the committee, clarifies the timing and calculation of future income tax reductions provided in the bill.

LD 432 An Act To Exempt Fuel Purchased for Off-road Use in Commercial Construction and Wood Harvesting Equipment from Sales and Use Tax

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BURNS CAMPBELL R	ONTP	

This bill provides a sales and use tax refund or exemption for fuel purchased for off-road use in commercial wood harvesting or commercial construction equipment.

See also LD 30 and LD 290.

LD 444 An Act To Allow a Motor Vehicle Excise Tax Credit for a Vehicle No Longer in Use

PUBLIC 87

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU GILLWAY	OTP	

This bill extends the motor vehicle excise tax credit to situations where the use of the vehicle is totally discontinued. This bill requires the owner of the vehicle to provide a signed statement attesting that the vehicle from which the credit is being transferred is totally discontinued and states that if the owner who has totally discontinued use of a vehicle later seeks to register that vehicle, no excise tax credits may be applied with respect to the registration of that vehicle or any subsequent transfer of that vehicle's registration.

Enacted Law Summary

Public Law 2015, chapter 87 extends the motor vehicle excise tax credit for destroyed, junked or abandoned motor vehicles to situations where the use of a vehicle is totally discontinued. This law requires the owner of the vehicle to provide a signed statement attesting that use of the vehicle from which the credit is being transferred is totally discontinued and states that if the owner who has totally discontinued use of a vehicle later seeks to register that vehicle, no excise tax credits may be applied with respect to the registration of that vehicle or any subsequent

Joint Standing Committee on Taxation

transfer of that vehicle's registration.

LD 497 An Act To Provide a Sales Tax Rebate for Certain Organizations Providing Services to Disabled Veterans ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WINSOR HAMPER	ONTP	

This bill provides a sales tax exemption or refund for meals and lodging connected with seminars and retreats provided by certain nonprofit veterans' services organizations to veterans with service-related disabilities and their families.

LD 498 An Act To Restore the Super Credit for Substantially Increased Research and Development CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
NUTTING MCCORMICK	OTP-AM	H-96

This bill restores the availability of the super credit for substantially increased research and development, retroactive to January 1, 2014, restricts the carry-over period to five years and increases the limit on the credit to no more than 50 percent of the taxpayer's tax due after the allowance of other tax credits.

This bill was carried over on the Special Appropriations Table to any special or regular session of the 127th Legislature by joint order, S.P. 555.

Committee Amendment "A" (H-96)

This amendment amends the definition of "super credit base amount" to provide that the base amount is reset if the taxpayer did not claim the super credit for three consecutive taxable years immediately prior to January 1, 2014.

LD 499 An Act To Create Jobs in the Forest Products Industry ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STANLEY	ONTP	

This bill provides a complete exemption from property tax for land enrolled under the Maine Tree Growth Tax Law when the forest products harvested from that land are processed solely at mills located in Maine.

LD 500 Resolve, To Create a Working Group To Develop Solutions To Meet the Needs for Municipal Volunteer Personnel RESOLVE 49

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EVES DUTREMBLE	OTP-AM	H-376 H-418 LAJOIE S-333 MASON